

MUNICIPAL POTASH TAX SHARING ADMINISTRATION BOARD

FINANCIAL STATEMENTS

For the Year Ended December 31, 2009



Provincial Auditor Saskatchewan

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SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Municipal Potash Tax Sharing Administration Board as at December 31, 2009 and the statement of operations and net financial assets for the year then ended. The Board is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Municipal Potash Tax Sharing Administration Board as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
January 25, 2010

Fred Wendel, CMA, CA
Provincial Auditor



Statement 1

**Municipal Potash Tax Sharing Administration Board
Statement of Financial Position
As at December 31**

	<u>2009</u>	<u>2008</u>
Financial Assets		
Cash	<u>\$13,535</u>	<u>\$13,008</u>
Total Financial Assets	<u>\$13,535</u>	<u>\$13,008</u>
Net Financial Assets - (Statement 2)	<u><u>\$13,535</u></u>	<u><u>\$13,008</u></u>

(see accompanying notes to the financial statements)

Statement 2

Municipal Potash Tax Sharing Administration Board Statement of Operations and Net Assets For Year Ended December 31

		2009	2008
Revenue:			
Municipal taxes received from rural municipalities (Note 5)		\$8,783,716	\$8,776,140
Less: Tax sharing distributions (Schedule 1)			
Areas of Influence			
	<u>Rural</u>	<u>Urban</u>	
Saskatoon Lanigan	\$5,012,988	\$556,999	5,569,987
Esterhazy	2,292,052	254,672	2,546,724
Pense	584,494	64,944	649,438
	<u>\$7,889,534</u>	<u>\$876,615</u>	<u>8,766,149</u>
Revenue held for general administration (Note 4)		17,566	17,552
Expenditures:			
Office facilities - Saskatchewan Association of Rural Municipalities		10,000	10,000
Secretary - Treasurer's Honorarium & Per Diem		4,500	4,450
Custom Services - ISC		1,239	-
Board Members' Per Diem		1,000	950
Insurance		300	200
		<u>17,039</u>	<u>15,600</u>
Surplus for the year		527	1,952
Net assets, beginning of year		13,008	11,056
Fund balance, end of year - to Statement 1		<u>\$13,535</u>	<u>\$13,008</u>

(see accompanying notes to the financial statements)

MUNICIPAL POTASH TAX SHARING ADMINISTRATION BOARD
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

1. Authority

The Municipal Potash Tax Sharing Administration Board (Board) was established under Section 3 of *The Municipal Tax Sharing (Potash) Act* (Act). Under provisions of the Act, taxes levied by rural municipalities on potash mines are remitted to the Board. The Board administers the tax sharing program established under the Act. Disbursements to municipalities, located within the areas of influence of a potash development, are made on the basis of formulae prescribed in regulations to the Act.

2. Significant Accounting Policies

These financial statements have been prepared using generally accepted accounting principles as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The following accounting policies are considered significant.

a) Revenue

The municipal taxes received from rural municipalities are recognized as revenue when received or receivable.

b) Tax Sharing Distributions

Tax sharing distributions are recorded as an expense when the calculations have been approved by the Board.

3. Cash Flow Statement

A cash flow statement has not been provided since cash flow information is readily apparent from the other financial statements.

4. Administration Costs

The regulations permit the Board to withhold up to 0.5% of taxes received, to a maximum of \$25,000, for the general administration of the Board. During the year, the Board withheld 0.20% (2008 - 0.20%) of taxes received totalling \$17,567 (2008 - \$17,552).

5. Municipal Taxes From Rural Municipalities

<u>Municipality</u>	<u>RM#</u>	<u>Budget</u> <u>2009</u>	<u>Actual</u> <u>2009</u>	<u>Actual</u> <u>2008</u>
Rocanville	151	\$ 1,027,444	\$ 1,027,444	\$ 995,230
Spy Hill	152	903,230	903,230	918,611
Pense	160	650,739	650,739	650,741
Langenburg	181	621,153	621,153	637,998
Usborne	310	1,772,862	1,772,834	1,664,708
Colonsay	342	730,448	730,448	841,674
Blucher	343	943,319	943,318	1,000,159
Corman Park	344	891,014	900,392	805,324
Vanscoy	345	1,234,157	1,234,158	1,261,695
		<u>\$ 8,774,366</u>	<u>\$ 8,783,716</u>	<u>\$ 8,776,140</u>

6. Budget

The budgeted amounts disclosed in these statements are those approved by the Board.

7. Distribution of Funds

As per Section 7(1) of the General Regulations under *The Municipal Potash Tax Sharing (Potash) Act*, the funds available for distribution to municipalities are disbursed to the municipalities in each unit with 90% being paid to the rural municipalities and 10% being paid to the urban municipalities.

Municipal Potash Tax Sharing Administration Board
Schedule of Tax Sharing Distributions Made to Municipalities
For the Year Ended December 31

	Budget 2009	Actual 2009	Actual 2008
Saskatoon/Lanigan Area			
<u>Rural Municipalities</u>			
279 Mount Hope	\$ 875	\$ 78	\$ 796
280 Wreford	35,033	25,856	37,358
281 Wood Creek	4,744	2,229	4,724
283 Rosedale	2,310	2,362	2,329
309 Prairie Rose	105,131	101,585	104,696
310 Usborne	554,657	525,185	568,533
312 Morris	303,126	303,415	294,056
313 Lost River	225,168	230,214	230,947
314 Dundurn	152,691	150,181	162,823
315 Montrose	164,845	168,748	163,501
316 Harris	31,826	32,298	33,938
339 Leroy	67,543	76,543	67,557
340 Wolverine	458,460	521,559	424,684
341 Viscount	327,652	333,886	349,394
342 Colonsay	430,761	437,615	396,934
343 Blucher	403,232	409,917	420,349
344 Corman Park	572,065	502,649	597,089
345 Vanscoy	674,156	684,763	650,067
346 Perdue	153,934	156,667	164,148
370 Humboldt	-	3,852	-
371 Bayne	45,096	46,163	44,973
372 Grant	85,355	86,757	84,308
373 Aberdeen	169,300	173,005	170,832
376 Eagle Creek	36,630	37,461	32,137
	<u>5,004,590</u>	<u>5,012,988</u>	<u>5,006,171</u>
<u>Urban Municipalities</u>			
Town of Aberdeen	12,373	12,394	12,196
Town of Allan	59,260	59,359	58,410
Town of Asquith	13,524	13,546	13,330
Village of Bradwell	17,092	17,121	16,847
Village of Clavet	32,400	32,455	31,936
Town of Colonsay	39,914	39,980	39,341
Town of Dairmeny	30,053	30,103	29,622
Town of Delisle	84,335	84,476	83,126
Village of Drake	5,447	5,456	5,369
Village of Elstow	8,546	8,561	8,424
RM of Usborne No.310	-	-	8,146
Village of Kinley	822	823	810
Town of Langham	24,887	24,929	24,531

Municipal Potash Tax Sharing Administration Board
Schedule of Tax Sharing Distributions Made to Municipalities
For the Year Ended December 31

	Budget 2009	Actual 2009	Actual 2008
Saskatoon/Lanigan Area			
<u>Urban Municipalities</u>			
Town of Lanigan	104,902	105,078	103,398
Town of Martensville	751	753	741
Village of Meacham	1,644	1,646	1,620
Village of Perdue	8,640	8,655	8,516
Village of Plunkett	1,761	1,764	1,736
Village of Vanscoy	31,837	31,890	31,381
Village of Viscount	23,572	23,612	23,235
Town of Vonda	7,560	7,573	7,452
Town of Warman	5,541	5,550	5,462
Town of Watrous	32,213	32,267	31,751
Village of Young	6,175	6,185	6,086
Village of Zelma	2,817	2,823	2,777
	<u>556,066</u>	<u>556,999</u>	<u>556,241</u>
Area Total	<u>5,560,656</u>	<u>5,569,987</u>	<u>5,562,412</u>

Esterhazy Area**Rural Municipalities**

121 Moosomin	67,974	68,431	67,309
122 Martin	19,142	22,886	20,819
151 Rocanville	411,089	430,198	447,759
152 Spy Hill	621,225	628,977	609,683
153 Willowdale	47,982	41,619	50,065
181 Langenburg	466,607	465,989	499,982
183 Fertile Belt	450,160	429,123	385,895
211 Churchbridge	129,245	128,665	131,139
213 Saltcoats	78,628	76,164	79,411
	<u>2,292,052</u>	<u>2,292,052</u>	<u>2,292,062</u>

Urban Municipalities

Village of Atwater	449	449	449
Village of Bangor	898	898	898
Town of Bredenbury	5,909	5,909	5,909
Town of Churchbridge	12,645	12,645	12,645
Town of Esterhazy	101,876	101,876	101,877
Village of Gerald	8,909	8,909	8,909
Town of Langenburg	18,392	18,392	18,392
Town of Rocanville	62,433	62,433	62,434

Municipal Potash Tax Sharing Administration Board
 Schedule of Tax Sharing Distributions Made to Municipalities
 For the Year Ended December 31

	Budget 2009	Actual 2009	Actual 2008
Esterhazy Area			
<u>Urban Municipalities</u>			
Village of Spy Hill	14,441	14,441	14,441
Village of Stockholm	5,801	5,801	5,802
Village of Tantallon	7,544	7,544	7,544
Village of Welwyn	10,202	10,202	10,202
Village of Yarbo	5,173	5,173	5,173
	<u>254,672</u>	<u>254,672</u>	<u>254,674</u>
Area Total	<u>2,546,724</u>	<u>2,546,724</u>	<u>2,546,736</u>
Pense Area			
<u>Rural Municipalities</u>			
129 Bratt's Lake	4,532	4,621	4,525
130 Redburn	77,171	77,788	80,120
131 Baidon	30,647	31,311	31,818
159 Sherwood	47,977	47,826	48,856
160 Pense	243,913	246,548	250,529
161 Moose Jaw	120,186	117,088	110,777
189 Lumsden	17,520	17,791	16,694
190 Dufferin	29,561	29,889	29,084
191 Marquis	12,987	11,632	12,094
	<u>584,494</u>	<u>584,494</u>	<u>584,496</u>
<u>Urban Municipalities</u>			
Village of Belle Plaine	4,599	4,599	4,599
Village of Bethune	6,629	6,629	6,629
Village of Briercrest	2,102	2,102	2,102
Village of Disley	1,114	1,114	1,114
Village of Drinkwater	4,671	4,671	4,671
Village of Grand Coulee	7,815	7,815	7,815
Village of Pense	36,433	36,433	36,433
Village of Tuxford	1,581	1,581	1,581
	<u>64,944</u>	<u>64,944</u>	<u>64,944</u>
Area Total	<u>649,438</u>	<u>649,438</u>	<u>649,440</u>
Total tax sharing - to Statement 2	<u>\$ 8,756,918</u>	<u>\$ 8,766,149</u>	<u>\$ 8,758,588</u>



